

## **FISCAL NOTE**

### **SB 1467 – HB 2075**

March 6, 2007

**SUMMARY OF BILL:** Allows a child under 24 years old, whose parent is employed as a full-time employee by any local education agency, to receive a 25 percent discount on tuition in any state institution of higher learning.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$4,759,300 FY07-08  
\$4,950,400 FY08-09**

#### **Assumptions:**

- Lost revenues to higher education institutions would be replaced with state funds rather than higher tuition and fees.
- There are 49,738 school system employees in addition to those already covered by the discount program (teachers).
- An estimated 9,100 full-time (FTE) students/dependents of LEA support personnel would take courses.
- The 25% tuition discount for each FTE student/dependent would be \$523 in FY07-08 and \$544 in FY08-09.
- First year costs (FY07-08) are estimated to be \$4,759,300 (9,100 x \$523 per FTE student).
- Second year costs (FY08-09) are estimated to be \$4,950,400 (9,100 x \$544 per FTE student).
- Tuition is estimated to increase at a rate of 4% per year.
- The children of teachers receiving tuition discounts for previous years provide a fair representation of children expected to receive tuition discounts in the future, adjusted for an expected participation rate for children of LEA support staff in proportion to current participants.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

